

**MINUTES OF THE
BUDGET COMMITTEE
TUESDAY, MAY 13, 2008**

At a meeting of the **Budget Committee**, held Tuesday, May 13, 2008, in the Board Room, on the 9th Floor of the Administration Building, Mount Clemens, the following members were present:

Brown-Chair, Brdak, Bruley, Camphous-Peterson, Crouchman, DeSaele, DiMaria, Doherty, Duzyj, D. Flynn, J. Flynn, Gielegem, Haggerty, Lund, Mijac, Rengert, Roberts, Rocca, Sauger, Slinde, Switalski, Szczepanski, Tocco, Torrice and Vosburg.

Absent and excused was Drolet.

There being a quorum of the committee present, Chair Brown called the meeting to order at 9:08 a.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

AGENDA

MOTION

A motion was made by Duzyj, supported by Torrice, to adopt the agenda, as amended (to include item #11A). **The Motion Carried.**

MINUTES

MOTION

A motion was made by Rocca, supported by Duzyj, to approve the March 18, 2008 minutes of this committee, as written. **The Motion Carried.**

PRESENTATION FROM HAYES JONES, GENERAL MANAGER, SMART

A copy of the PowerPoint presentation was distributed.

The following representatives from SMART were in attendance: Mr. Fredric Barbret, Mr. Hayes Jones, Mr. Ronald Ristau, Ms. Karen Jensen, and Ms. Elizabeth Dryden.

Mr. Jones started off the PowerPoint presentation. Key topics covered included:

Milestones, System-Wide Services, and A Unique System. Mr. Ristau covered the following slides: SMART Service in Macomb, Growth Across the System, Senior Population Growth, Technology, and Collaborations. Ms. Jensen covered the following slides: Funding, A Challenging Opportunity, and Fiscal Responsibility. Ms. Dryden covered the following slide: External Affairs. Mr. Jones finished up and covered the slide: Looking Ahead.

A lengthy discussion ensued with Mr. Jones about topics that were covered during the presentation. During discussion, inquiries were directed to Mr. Ristau, Ms. Jensen, Ms. Dryden, and Mr. Barbret. Other topics discussed included: going fares, the decrease in funding they have experienced and funding projections for the coming year, the need to enhance public transportation in this region, advertising on the buses (wraps), if any buses have been converted to use bio-diesel, the need to have more bicycle racks in communities because riders have no place to lock their bikes when they get to their destination, and the Macomb Mall being a major hub. During discussion, it was felt that transit would work a lot better if there were more shelters at the stops.

MOTION

A motion was made by Slinde, supported by Joan Flynn, to receive and file the presentation from Mr. Hayes Jones, General Manager, SMART. **The Motion Carried.**

RECEIVE AND FILE 2008 FIRST QUARTER REVENUE AND EXPENSE PROJECTIONS

Prior to the start of this committee meeting, revised copies relating to this agenda item were distributed by Mr. Foster. Distributed materials consisted of the following: 1) Comparison of 2007/2008 SEV and Taxable Values; 2) Schedule I: Macomb County – 2008 First Quarter Revenue Projection; 3) Schedule II: Macomb County – 2008 First Quarter Expenditure Projection.

MOTION

A motion was made by Vosburg, supported by Joan Flynn, to receive and file the 2008 First Quarter Revenue and Expense projections.

Mr. Diegel gave an extensive overview of the three revised documents. It was noted that the estimated budget deficit is at about \$6 million, not counting the increase to health care.

A lengthy discussion ensued about ways to reduce the budget, including looking into the following: institute mandatory cuts in departments' budgets, ask departments to come up with additional revenues, revisit the list of items that were still on the table that never got approved for cuts at the special Budget Committee meeting held on January 31st, set up a committee of department heads so they can come up with ways to reduce the budget, increase the millage rate, institute structural changes in operating, examine and prioritize

programs and fund the one's that are the most important, reduce the number of employees through attrition, offer special millages which would be dedicated to specific discretionary programs, make layoffs either permanent or rolling layoffs, and have residents in the northern part of the county pay their fair share in contracting Sheriff services.

MOTION

A motion was made by Doherty, supported by Tocco, to **call the question**.

A roll call vote was taken as follows:

Voting Yes were Brdak, Doherty, David Flynn, Gielegthem, Roberts, Sauger and Tocco. There were 7 "Yes" votes.

Voting No were Brown, Crouchman, DeSaele, DiMaria, Joan Flynn, Lund, Mijac, Rengert, Rocca, Slinde, Switalski and Vosburg. There were 12 "No" votes.

Note: When called upon, Commissioner Bruley and Commissioner Camphous-Peterson both "Passed."

The Motion was Defeated.

Discussion continued about ways to reduce the budget, including looking into the following: the 70-Point Plan, expand and rework the process to include discussing with a department head what other personnel they have who could fill a position if the position were not filled, look at discretionary programs and how the Board would eliminate them or how to make them revenue neutral, have the Board Chair convene a meeting of department heads, combine some departments, let the public decide if they want to increase the millage rate, and find out when the millage rate was set and how much more money the county has had every year through property tax growth from then until now.

MOTION

A motion was made by Lund, supported by Vosburg, to **suspend the rules** so the Board can reimplement the suggested cuts back at the January 31st special Budget Committee meeting.

Commissioner Lund recalled there was \$6 million in cuts on the list that was brought forward in January.

A roll call vote was taken as follows:

Voting Yes were Brown, DeSaele, Lund, Rengert, Rocca and Vosburg. There were 6 "Yes" votes.

Voting No were Brdak, Bruley, Camphous-Peterson, Crouchman, DiMaria, Doherty, David Flynn, Joan Flynn, Gielegghem, Haggerty, Mijac, Roberts, Sauger, Slinde, Switalski, Tocco and Torrice. There were 17 "No" votes.

The Motion was Defeated.

Discussion continued about ways to reduce the budget, including looking into the following: identify discretionary services and the cost of each and identify what part of a mill would be necessary to continue that service, look at what it would cost the taxpayers to maintain these services and what the county would save if these services were not maintained, and check with Corporation Counsel as to when special millages could be placed on the ballot.

Chair Brown called for a vote on the **motion to receive and file** and **The Motion Carried.**

RECEIVE AND FILE GENERAL FUND BALANCE REQUIREMENT FOR 2008

MOTION

A motion was made by Vosburg, supported by Sauger, to receive and file the General Fund Balance Requirement for 2008. **The Motion Carried.**

RECEIVE AND FILE COUNTY BRIDGE RENOVATION AND REPLACEMENT PROGRAM UPDATE

Contained within committee packets was a two-page memorandum dated May 5, 2008 from Mr. Robert Hoepfner and a one-page letter dated January 11, 2008 from Mr. Stephen Smigiel that had attached to it a one-page document entitled, Macomb County Road Commission Bridge Fund Program Combined Statement All Bridges Years 2000-2007.

MOTION

A motion was made by DiMaria, supported by Sauger, to receive and file the County Bridge Renovation and Replacement Program Update.

Inquiry was made to Mr. Diegel about the possibility to take the new money that was going to pay for these bridges and have it go toward bond repayment. During discussion, Mr. Diegel thought the important thing would be to direct the Road Commission to not proceed with any new projects and that Mr. Hoepfner would have to speak to any of them that might be on the drawing boards already. Mr. Hoepfner gave a brief presentation. Several inquiries were directed to Mr. Hoepfner.

After further discussion, the following action was taken:

MOTION

A motion was made by Doherty, supported by DeSaele, to **refer** this item to tomorrow's Finance Committee meeting. **The Motion Carried.**

RECOMMENDATIONS FROM JUSTICE AND PUBLIC SAFETY COMMITTEE MEETING OF 05-05-08

Items (a), (b), (c), and (d) were taken separately.

a) Grant Circuit Court Permission to Apply for Renewal of State of Michigan Adult Felony Drug Court Grant for State Fiscal Year 2008-2009

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY CAMPHOUS-PETERSON, SUPPORTED BY DOHERTY, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS GRANT THE CIRCUIT COURT PERMISSION TO APPLY FOR A RENEWAL OF THE STATE OF MICHIGAN ADULT FELONY DRUG COURT GRANT FOR THE STATE FISCAL YEAR OF 2008 – 2009 AND APPROVE CONTINUATION OF MACOMB COUNTY FUNDING IN THE AMOUNT OF \$210,000. **THE MOTION CARRIED.**

b) Approve Renewal of Macomb Auto Theft Squad Grant for 2008-09/Prosecuting Attorney

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY CAMPHOUS-PETERSON, SUPPORTED BY TORRICE, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS CONCUR IN THE REQUEST OF THE PROSECUTOR'S OFFICE AND APPROVE THE RENEWAL OF THE MACOMB AUTO THEFT SQUAD GRANT FOR 2008-09; REQUIRING A COUNTY MATCH OF \$59,516.

Inquiry was made as to where the funding would come from. Mr. Diegel explained that the funding increase to the county would come out of Contingency. The balance would come from the 2009 budget. He noted that the next item would be treated the same way.

Chair Brown called for a vote on the motion and **THE MOTION CARRIED.**

c) Approve Renewal of Macomb Auto Theft Squad Grant for 2008-09/Sheriff's Office

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY VOSBURG, SUPPORTED BY SWITALSKI, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS CONCUR IN THE REQUEST OF THE MACOMB COUNTY SHERIFF'S OFFICE AND APPROVE THE RENEWAL OF

THE MACOMB AUTO THEFT SQUAD GRANT FOR 2008-09; REQUIRING A COUNTY MATCH OF \$199,318. **THE MOTION CARRIED.**

d) **Authorize Moving \$60,000 from the County Training Fund to the Sheriff's Office Budget Training Fund**

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY CAMPHOUS-PETERSON, SUPPORTED BY DOHERTY, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS AUTHORIZE TO RESTORE THE MONEY IN THE SHERIFF'S OFFICE BUDGET TRAINING FUND TO THE 2005 LEVEL BY MOVING THE FUNDS FROM THE COUNTY TRAINING FUND. THIS ACTION IS BEING TAKEN TO AVOID LOSING STATE TRAINING FUNDS THROUGH MCOLES IN THE AMOUNT OF \$60,000. THIS WOULD REQUIRE MOVING \$60,000 FROM THE COUNTY TRAINING FUND TO THE SHERIFF'S OFFICE BUDGET TRAINING FUND. **THE MOTION CARRIED.**

RECOMMENDATIONS FROM LEGISLATIVE AND ADMINISTRATIVE SERVICES COMMITTEE MEETING OF 05-05-08

Items (a) and (b) were taken separately.

a) **Authorize County Clerk to Improve Juror Payment System by Paying Jurors in Cash and Round Juror Mileage Payments up to the Nearest \$0.25 Upon Approval of the Chief Judge, County Treasurer, and Finance Director**

Mr. Schmitz distributed copies of a Macomb Daily newspaper article entitled, Cash payments to jurors save county money, benefit merchants.

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY RENGERT, SUPPORTED BY CAMPHOUS-PETERSON, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS AUTHORIZE THE COUNTY CLERK TO IMPROVE THE JUROR PAYMENT SYSTEM BY PAYING JURORS IN CASH, AND ROUND THE JUROR MILEAGE PAYMENTS UP TO THE NEAREST \$0.25 UPON APPROVAL OF THE CHIEF JUDGE, THE COUNTY TREASURER, AND THE FINANCE DIRECTOR AT A COST NOT TO EXCEED \$3,800 IN ORDER TO GENERATE SAVINGS OF APPROXIMATELY \$9,500 ANNUALLY.

A discussion ensued with Mr. Brumbaugh, Mr. Diegel, and Mr. Schmitz pertaining to this request; particularly with regard to the amount of cash that will have to be moved from the Treasurer's Office to be held in the Jury Clerk's Office and then how that whole process will work paying cash. During discussion, it was suggested to perhaps consider re-evaluating this program after three or six months.

Chair Brown called for a vote on the motion and **THE MOTION CARRIED.**

b) Authorize Register of Deeds to Upgrade the Grantor/Grantee Index to Allow Property Records to be Searched and Located More Easily and Accurately

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY MIJAC, SUPPORTED BY DiMARIA, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS AUTHORIZE THE REGISTER OF DEEDS TO UPGRADE THE GRANTOR/GRANTEE INDEX TO ALLOW PROPERTY RECORDS TO BE SEARCHED AND LOCATED MORE EASILY AND ACCURATELY AT A COST NOT TO EXCEED \$70,000. FUNDING IS AVAILABLE IN THE REGISTER OF DEEDS AUTOMATION FUND. **THE MOTION CARRIED.**

RECOMMENDATION FROM HEALTH SERVICES COMMITTEE MEETING OF 05-08-08

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY DiMARIA, SUPPORTED BY CAMPHOUS-PETERSON, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS AUTHORIZE TO INCREASE THE ANIMAL SHELTER COUNTY APPROPRIATION BY \$5,000 AND ESTABLISH A \$5,000 SUPPLIES-DRUGS AND PHARMACEUTICALS EXPENSE LINE ITEM. FUNDS WILL BE USED TO PURCHASE MEDICATION AND SUPPLIES FOR TREATMENT OF ANIMALS AT THE MACOMB COUNTY ANIMAL SHELTER. **THE MOTION CARRIED.**

APPROVE CHESTERFIELD TOWNSHIP ASSISTIVE SERVICE CONTRACT FOR ASSESSING SUPERVISION SERVICES FOR THE THREE-YEAR PERIOD EFFECTIVE JULY 1, 2008

A copy of the 12-page contract with the requested revisions made to it as per the contract review sign-off sheet was distributed. Also distributed was a copy of the contract review sign-off sheet. These documents were provided by the Equalization Director.

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY VOSBURG, SUPPORTED BY DiMARIA, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE THE CHESTERFIELD TOWNSHIP ASSISTIVE SERVICE CONTRACT FOR ASSESSING SUPERVISION SERVICES FOR THE THREE-YEAR PERIOD EFFECTIVE JULY 1, 2008. THIS CONTRACT WILL GENERATE \$50,000 INCOME THE FIRST YEAR AND IS ADJUSTED ANNUALLY BY 3.5% THE ENSUING TWO YEARS. THE EQUALIZATION DEPARTMENT WILL PROVIDE THE SUPERVISION REQUIRED BY THIS AGREEMENT WITHIN ITS EXISTING STAFFING AT NO ADDITIONAL COST TO THE COUNTY OF MACOMB. **THE MOTION CARRIED.**

2008 CONTINGENCY REPORT UPDATE

MOTION

A motion was made by DiMaria, supported by Slinde, to receive and file the 2008 Contingency Report Update. **The Motion Carried.**

ADJOURNMENT

MOTION

A motion was made by DiMaria, supported by Torrice, to adjourn the meeting at 11:50 a.m. **The Motion Carried.**

Denise M. Jacks
Committee Reporter